

# MAYOR & COUNCIL AGENDA COVER SHEET

**MEETING DATE:**

April 28, 2003

**RESPONSIBLE STAFF:**

Erica Shingara,  
Environmental Specialist

**AGENDA ITEM:**

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
	Public Hearing
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
<b>X</b>	Work Session Discussion Item
	Other: Introduction

**PUBLIC HEARING HISTORY:**

(Please complete this section if agenda item is a public hearing)

Introduced	
Advertised	
Hearing Date	
Record Held Open	
Policy Discussion	

**TITLE:**

Discussion on the Possibility of Making Montgomery County's Water Quality Protection Charge Applicable Within the City of Gaithersburg

**SUPPORTING BACKGROUND:**

On November 20, 2001, the Montgomery County Council passed Bill No. 28-00. Among other things, this bill imposed a Water Quality Protection Charge that is assessed annually on residential properties, and certain non-residential properties that drain to residential stormwater management structures.

Fees are set by resolution of the County Council. Currently, the fee for single-family homes is \$12.75 a year, and \$4.21 a year for townhouses. Fees for multi-family properties and certain non-residential properties are calculated based on the amount of impervious area they have.

Under present law, the Montgomery County Water Quality Protection Charge is not assessed on properties located within the corporate City limits of Gaithersburg.

Versar, Inc. recently conducted an in-depth ecological assessment of the streams within the City of Gaithersburg. In the near future, representatives of Versar will be giving a presentation to the Mayor and City Council on the condition of our streams. However, generally speaking, a significant portion of our streams are in poor condition and one of the major causes of this poor condition is inadequate storm management.

As you know, the City of Gaithersburg is in the process of obtaining our National Pollutant Discharge Eliminate System (NPDES) permit. Under the terms of this Federal permit, we will be required to begin inspecting all stormwater management structures within the City of Gaithersburg. Additionally, we must require that corrective action be taken when structures are found not to be in compliance with all applicable regulations.

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**DESIRED OUTCOME:**

Hear presentation, and provide guidance.

## **SUPPORTING BACKGROUND (cont'd)**

Due to these new requirements, the proposed FY'04 Capital Budget allocates \$850,000 for new stormwater management facilities and retrofits of existing facilities. In addition to the capital costs, the City will realize significant costs associated with NPDES' compliance and stormwater management. Due to the fact that FY04 will be our first year of operating a NPDES program, it is difficult to determine the exact operating costs. However, we are estimating them to be approximately \$650,000 to \$700,000. The operating costs include maintaining stormwater management facilities, and the administrative costs associated with inspection and record keeping.

During discussions on the 2003 Environmental Strategic Direction, the Mayor and City Council expressed concern that our inspections and the requirements to repair and maintain SWM facilities would cause undo hardships on some of our common ownership communities.

This winter, staff from Planning and Code Administration, Public Works, and the City Manager's Office conducted pre-inspections of all SWM structures within the City that are owned by homeowners associations and condominium associations to get an estimate of the costs they will incur. These costs are significant. One community with only 39 homes will be facing an estimated \$100,000 in repair costs.

Staff has initiated discussions with Montgomery County staff about the possibility of the County Council and the City Council taking action so that the County's Water Protection Charge would be assessed on properties within the City of Gaithersburg with the County returning most of the funds (less administrative costs) to the City to help finance our SWM and NPDES compliance programs. At this point, we believe it would generate between \$110,000 to \$140,000 annually based on current rates.

Staff will be giving a short power point presentation (draft attached) to give the Mayor and City Council a better idea of the high costs associated with construction of new SWM facilities, retrofitting facilities, and maintaining existing facilities.

If the Mayor and City Council want to consider moving forward with having the County Water Protection Charge apply in Gaithersburg for FY '04, it will be necessary to introduce the appropriate Tillie Frank Ordinance on May 5, 2003.